



Title: I, Payroll/Personnel Manual

Chapter:

Bulletin: Title I, 07–19, Changes To Settlement Dates For Pay Period 25, 2007 And Pay Period 25, 2008

Date: November 16, 2007

To: Holders of the Payroll/Personnel Manual

This bulletin is being issued to remind National Finance Center (NFC) customers of changes to the standard electronic funds transfer (EFT) settlement dates and paper check dates for 2007 and 2008. These changes are necessary to ensure that income is reported to the Internal Revenue Service (IRS) within the same tax year for all employees receiving paychecks from NFC regardless of the distribution method for delivery of the funds (i.e., EFT or paper check).

Settlement Date Changes

The following table displays the pay periods with changes to the EFT settlement dates and paper check dates. Please note that for Pay Period 25, 2007, the EFT settlement date is changing and in Pay Period 25, 2008, the paper check settlement date is changing.

Pay Period/ Year	Original EFT Settlement Date	New EFT Settlement Date	Original Paper Check Date	New Paper Check Date
25/2007	December 31, 2007	January 2, 2008	January 3, 2008	<i>no change</i>
25/2008	December 29, 2008	<i>no change</i>	January 1, 2009	December 31, 2008

Deduction-Related Changes

Thrift Savings Plan

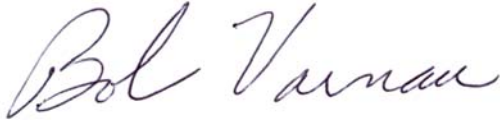
For Thrift Savings Plan (TSP) purposes, the tax year begins with the processing of the Payroll Processing System (PAYE) for Pay Period 25, 2007. Because TSP deductions will not be withheld until 2008 when the pay is actually received by employees, there will be 27 TSP deductions withheld in 2008. **Note:** Agencies should make sure that employees are aware of the annual elected deferral limit (EDL) of \$15,500 and catch-up limit of \$5000 so that deductions are planned accordingly.

Flexible Spending Accounts

Flexible Spending Accounts (FSA) have an effective date of January 1, 2008; however, deductions for 2008, will begin with the processing of PAYE for Pay Period 25, 2007.

Flexible Spending Accounts for Federal Employees (FSAFEDS) has indicated that the annual election for FSAs will be distributed evenly amongst the first 26 pay settlement dates.

For questions about policy/regulations, contact your Agriculture Payroll/Personnel User Group (AGPUG) representative or Committee for Agriculture Payroll/Personnel System (CAPPS) representative. Please refer questions about pay periods to the Payroll/Personnel Call Center at **504-255-4630**.



for

MARK J. HAZUDA, Director
Government Employees Services Division